

# FISCAL NOTE

**Bill #:** SB0279      **Title:** Allow person 19 years old or older to enroll in public high school

**Primary Sponsor:** Butcher, E      **Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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## Fiscal Summary

	<b><u>FY 2004 Difference</u></b>	<b><u>FY 2005 Difference</u></b>
<b>Expenditures:</b>		
General Fund	\$0	\$805,734
<b>Net Impact on General Fund Balance:</b>	\$0	(\$805,734)

- |   |   |
|---|---|
| <input type="checkbox"/> Significant Local Gov. Impact<br><input type="checkbox"/> Included in the Executive Budget<br><input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Technical Concerns<br><input type="checkbox"/> Significant Long-Term Impacts<br><input checked="" type="checkbox"/> Needs to be included in HB 2 |
|---|---|

## Fiscal Analysis

### ASSUMPTIONS:

1. Based on the October 2002 enrollment count, school districts enrolled 198 full-time students who turned 19-years old on or before September 10, 2002. Under current law, these students are not included in the calculation of a district's ANB.
2. If SB 279 is approved, it is estimated that the equivalent of 50 adults will re-enroll full-time in high school. Given the 19 year olds who are already enrolled and the adults who are projected to re-enroll, the ANB count in Montana public schools will increase by 258 (248 \*187/180 = 258).
3. On average, state monies fund 61% of the high school per-ANB entitlement, or \$3,123 (61% of \$5,205). If 258 high school students remain in school as a result of this bill, the state will spend an additional \$805,734 for K-12 BASE aid beginning in FY2005.
4. As school district general fund budgets increase, increased staff will lead to higher district retirement costs. District retirement costs are charged to the county retirement levies and state retirement GTB costs. Because the increases contained in this bill are small relative to school budgets, the increases in retirement costs are assumed to be insignificant.

**Fiscal Note Request SB0279, As Introduced**  
(continued)

FISCAL IMPACT:

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
<u>Expenditures:</u>		
Local Assistance	\$0	\$805,734
<u>Funding of Expenditures:</u>		
General Fund (01)	\$0	\$805,734
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	\$0	(\$805,734)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

With additional students being educated each year, districts will have higher BASE and maximum budgets. The BASE budgets of districts will increase by 80% of the per-ANB entitlement or approximately \$4,164 per student. The district taxpayer cost for the additional BASE budget for this would average \$1,041 per student that is included in the district ANB count. Districts may choose to spend more in the above BASE area of the budget. If the higher level of spending requires a tax increase, the voters of the district must approve the tax increase.